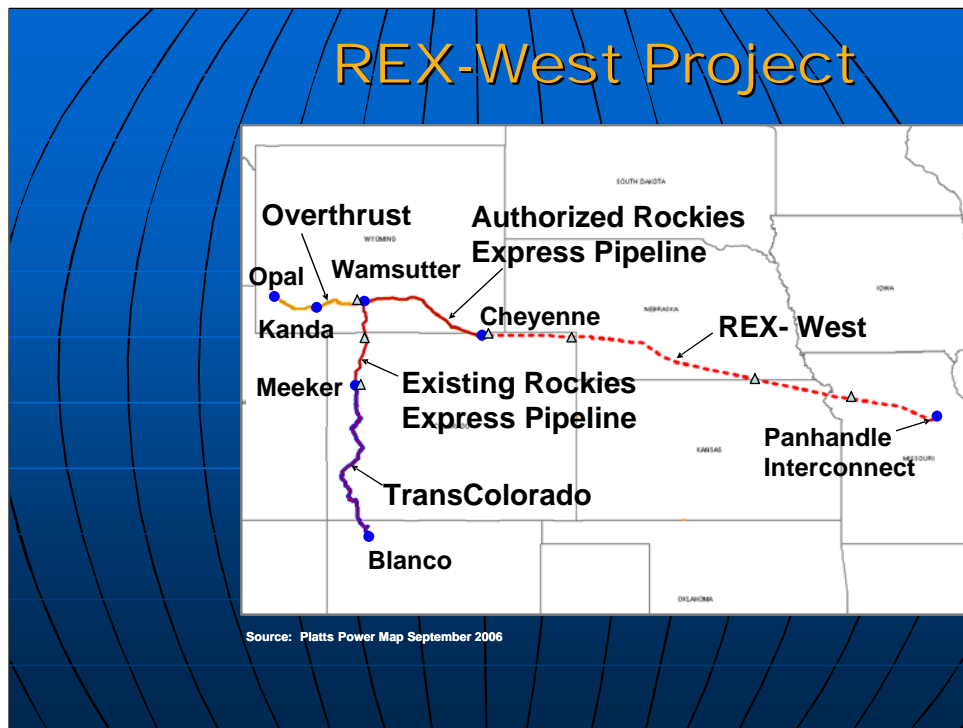




Rockies Express Pipeline REX-West Project

Item No.: C-2
September 21, 2006

The draft order in C-2 makes a preliminary determination that it is in the public convenience and necessity for Rockies Express Pipeline LLC to construct and operate an expansion project, referred to as REX-West, which is designed to transport Rocky Mountain supplies to major markets in the United States.



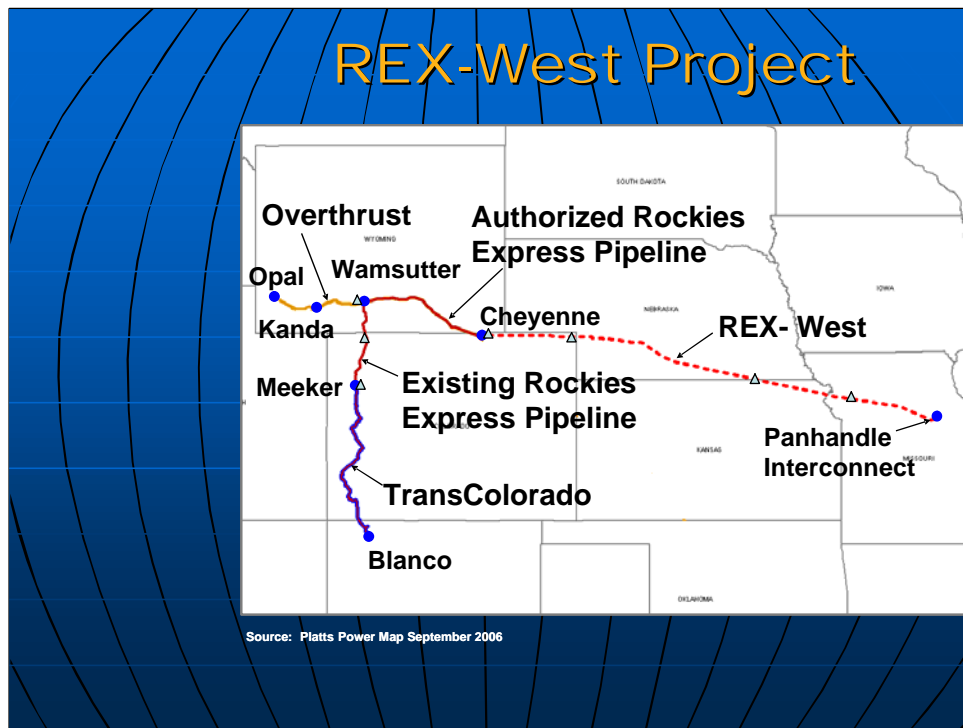
The map shows Rockies Express' currently certificated facilities and the proposed REX-West facilities. Rockies Express' currently certificated facilities are located to the west of the Cheyenne Hub in Colorado and are shown in solid red. The 136 mile segment from the Meeker Hub in Colorado to the Wamsutter Hub in Wyoming is currently in operation. The 191 mile segment from Wamsutter to the Cheyenne Hub is under construction with a projected in-service date of January 2007. As part of REX-West and as shown by the dotted red line, Rockies Express proposes to extend its system from the Cheyenne Hub to an interconnection with Panhandle Eastern Pipe Line Company in Missouri.

REX-West Project

Facilities for this 1.5 Bcfd project include:

- 713 miles of 42-inch line from Colorado to Missouri;
- 176,930 Hp of new and incremental compression; and
- capacity leased on Questar Overthrust Pipeline.

REX-West is a 1.5 million Dth per day system that includes 713 miles of new natural gas transmission facilities extending from its certificated system in Colorado to Missouri and approximately 177,000 horse power of additional compression at five new compressor stations and two currently certificated compression stations. In addition, Rockies Express proposes to lease 625,000 Dth/day of capacity from Questar Overthrust Pipeline.



The Overthrust capacity, shown in orange on the map, will extend the Rockies Express system 140 miles west from Wamsutter to the Opal Hub in Wyoming. Finally, in a related filing, TransColorado Gas Transmission Company seeks authority to expand its existing facilities (shown in blue) to transport up to 250,000 Dth/day of natural gas produced in the San Juan Basin from the Blanco Hub in New Mexico, to Rockies Express at an existing interconnection located at the Meeker Hub in Colorado. Rockies Express projects a January 1, 2008, in-service date for the Project.

REX-West Project (rates and services)

The draft order:

- approves the proposed recourse rates for transportation in Zone 1 and Zone 2;
- authorizes incremental rates for the Overthrust lease facilities, and the Meeker and Cheyenne Hub facilities; and
- grants a request to roll-in certain costs associated with the currently certificated facilities.

The draft order approves Rockies Express' proposed recourse rates consisting of two rate zones (Zone 1 and Zone 2) and three additional incremental recourse rates to cover the use of certain specifically defined facilities, namely, the Overthrust Lease Facilities, the Meeker Hub Facilities, and the Cheyenne Hub Facilities. Rockies Express' request for a predetermination that it can roll-in the costs of certain additions to its currently certificated facilities into its Zone 1 rates is also granted.

REX-West Project (rates and services – cont.)

The draft order:

- finds that REX-West's open-season is consistent with Commission Policy;
- approves certain rate and contractual incentives; and
- authorizes certain non-conforming provisions for two shippers.

Finally, the draft order finds that Rockies Express' conduct of its open season was consistent with Commission policy, approves certain rate and contractual incentives granted to shippers based on their commitment to the Project, and approves certain non-conforming provisions contained in the precedent agreements of two shippers.